

COAC Air Advance Cargo Data Recommendations

In developing advance cargo information requirements for the air sector, Customs and Border Protection (CBP) should consider the security measures that the air industry currently has in place. The industry is more extensively regulated than any other mode of transportation. These security requirements include those mandated by the US Transportation Security Administration (TSA), foreign government agencies at port of departure (foreign customs, foreign transportation security agencies, foreign military enforcement at some locations), the International Air Transport Association's (IATA) guidelines for IATA approved forwarders, and voluntary air carrier security measures to prevent theft, loss and pilferage.

All air carriers flying in and out of the United States are regulated by the TSA. The goal of the TSA is to stop the transport of any item that may cause harm to the crew, passengers and aircraft, an important part of the United States economic viability.

The TSA is also responsible for coordinating directly with air carriers' security departments when there is a possible threat to air transport. TSA and its foreign counterparts require carriers to implement stringent security measures in response to an increased threat.

Taken together, these security measures address many aspects of CBP' concerns. This was not the case in ocean, rail or motor carrier transports. Because of the important security measures in place, it is not necessary to provide advance shipment data to CBP prior to an aircraft's departure from foreign ports. Instead, the electronic transmission of shipment data no later than one hour prior to arrival will constitute an important part of a layered approach to air cargo security, and will enable CBP to accomplish its security mission.

GENERAL RECOMMENDATIONS:

High Level Requirements – Inbound

Advance Submission

General: All carriers and participating freight forwarders will begin submitting cargo data as early as possible after departure of the aircraft, with a final declaration not later than one hour prior to actual arrival of the aircraft at the gate.

Note: As shown in the attached flow chart (**Attachment B**), carriers must prepare manifest information after flights depart. Many factors affect how quickly the cargo data can be prepared, verified and sent. CBP has indicated that in some cases targeting cannot be completed in the one-hour period. The carriers are aware of this. We see the one-hour period as the outside time limit, and expect that data will be sent well before this, especially knowing that delaying

transmission could create a delay in release of cargo. Should the time frame be set earlier, we are concerned that the focus will be on verifying the times sent instead of the substantive issue of security.

Exception: For flights from NAFTA countries or with estimated flying times less than two hours, cargo will be held either on the aircraft (if in route) or in tact in the continuous custody of the air carrier in a restricted area or facility, for 30 minutes after transmission of cargo data.

Security Measures

Carrier security recommendations:

- Have TSA carrier approved security program
- Meet security requirements of exporting country, for example:
 - Canadian Security Program M601
 - European Civil Aviation Conference security regulations
- Encourage carriers to be a participant in the C-TPAT type program of the country where the carrier is based.

Forwarder security recommendations:

- Be a participant in the forwarder's home country's government security program and/or the IATA security program.
- Encourage air freight forwarders to be a part of a U.S. C-TPAT type program of the country where the forwarder is based.

Cargo Data Transmission

Carrier Cargo Data Transmission

- Participate in one of the following
 - CBP's Air Advanced Manifest System (AAMS).
 - An approved cargo data transmission and/or interface program, such as those approved for express air carriers.

Forwarder Cargo Data Transmission

- Two methods of transmission
 - Submit data either in paper or electronically to the air carrier; such information to be included in the carrier's advance cargo data transmission
 - Submit data to CBP directly, utilizing AAMS

CBP's AAMS Prerequisites

- Prior to implementation of this program, CBP must first complete the trade critical OPR and CR fixes to AAMS and provide the additional functionality required for carriers and forwarders to comply with these requirements (**Attachment C**).
- CBP will first complete AAMS to allow matching of the MAWB from Carrier's manifest to the MAWB of the forwarder's consolidated manifest.

- If a forwarder transmits its AAMS data in advance of the carrier's transmission, when the carrier transmits its manifest the data should then match-up at the master bill level.
- If the carrier sends a split master on a consolidated shipment, should CBP target the shipment for examination, CBP will put a hold on the entire HAWB and advise the carrier; who will be responsible for making the shipment available to CBP.
- CBP to develop web portal for access to AAMS in advance of implementation.
- Electronic in bond capability must be provided at the HAWB level.

Additional Details:

- These rules will apply to all carriers: Scheduled airlines, express carriers, charter carriers and air freight forwarders
- Regulations will allow a 90-day transition period. This period will not start running until:
 - All required AAMS programs, are fully functioning, tested and accepted for both forwarders and carriers.
 - CBP inspectors at ports of arrival have been AAMS trained.
 - The CBP ports of entry are automated and able to participate in AAMS.
- A trade support desk has been established and is available 24hrs a day, every day, to resolve issues
- CBP will look to the responsible party (carrier or forwarder) for compliance.
 - The shipper shall be responsible for the accuracy of data provided to the forwarder or carrier.

High Level Requirements – Outbound

General rule

- Export requirements will, essentially, remain the same
 - They will remain based on AES electronic filings.
 - Value exemptions for Export Declarations will remain the same.
 - Timing for filing shall remain as currently required.
 - Exemptions for Canada and others will remain the same
- CBP to maintain Option 4, but tighten up the requirements for approval.
- Trade wants to use either XTN or ITN for a given shipment, but not both on the same shipment.
 - Should ITN only be required, AES Direct should be enhanced to provide the ITN back to the filer before the transaction is complete. The current process of sending the ITN back via e-mail is not acceptable.

Additional Comments, Observations and Suggestions

- See **Attachment A** for an outline matrix of our comments.

- Postal service concerns
 - The committee had a difference over the issues surrounding the post office complying with the requirements put forward by the committee for air manifest; although it was noted that the issue applies to all modes. We were unable to come to agreement on a recommendation. See **Attachment D** for one comment representing the position of the express air carriers. Due to time constraints, we were unable to provide a contra position paper, but both sides of the issue were discussed in detail with CBP.

March 14, 2003